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MEDICARE AND EMPLOYER HEALTH PLANS



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MEDICARE AND EMPLOYER HEALTH PLANS

Rule for People Age 65 or Older

If you are over age 65, and working, or if you have a spouse, any age, who works, there is a rule that may affect you. This rule says that employers with 20 or more employees must offer workers age 65 or older the same health insurance benefits that they offer to younger workers. The same rule applies to any workers who have spouses 65 or older.*

Rule for People Under Age 65

If you are entitled to Medicare based on disability, a similar rule applies if you or a member of your family work for an employer who has 100 or more employees. The employer must offer you the health insurance benefits you would be offered if you were not entitled to Medicare.*

WHAT DO THE RULES MEAN?

Under both rules you may accept or reject the plan offered by your or your spouse's employer. If you accept the employer plan, it will be your primary plan.

*Neither rule applies to individuals who have permanent kidney failure. The special rule that applies to individuals under age 65 with permanent kidney failure who have employer group health plan coverage is explained in HCFA Publication No. 10128, *Medicare Coverage of Kidney Dialysis and Kidney Transplant Services*.

WHAT IS A PRIMARY PLAN?

A primary health insurance plan is a plan that pays first for any covered health care services you receive.

IF I ACCEPT THE EMPLOYER PLAN HOW DOES IT AFFECT MY MEDICARE COVERAGE?

If your employer plan does not pay all of the charges, Medicare may pay secondary benefits for Medicare covered services. In other words, it can help pay some of the expenses not paid by the employer plan. If you are not already entitled to Medicare hospital insurance, you should apply for it. There's no premium if you have enough work credits under Social Security or Railroad Retirement, and it can supplement your employer plan.

Whether you wish to enroll in or keep Medicare medical insurance will depend on how fully the employer plan covers the doctors' and other health services that Medicare medical insurance covers. You need to consider whether the secondary benefits Medicare medical insurance would pay are worth the cost to you.

ISN'T THERE A PENALTY FOR SIGNING UP LATE FOR MEDICARE MEDICAL INSURANCE?

Not in this case. Special rules give you 7 months to enroll in Medicare medical insurance beginning when the employee stops working or drops the employer plan, whichever occurs first.

WHAT IF I DON'T WANT THE EMPLOYER PLAN?

If you don't accept your or your spouse's employer plan, Medicare is your primary payer. But if you make that choice, the employer plan cannot pay supplemental benefits for Medicare-covered services.

WHAT DOES THAT MEAN?

It means the employer plan can provide coverage only for health care services that are not covered by Medicare (such as prescription drugs, hearing aids or routine dental care). Also, it means you must buy your own supplemental health insurance or "Medigap" plan, if you feel you need such additional protection.

WHAT DO I DO ABOUT FILING CLAIMS IF I HAVE EMPLOYER PLAN COVERAGE?

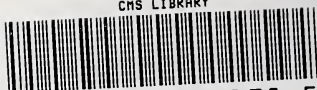
You should give the hospital, doctor, or any other supplier of covered services the necessary information about the employer plan (name, policy number, etc.) and inform them that the employer plan should be billed first. If, for any reason, your doctor or supplier does not submit claims to the employer plan, send your own claim first to the employer plan or ask your personnel office to assist you. If the employer plan does not pay in full for services Medicare covers, enclose a copy of the employer plan explanation of benefits with your claim to Medicare for secondary benefits.



WHERE CAN I GET ADDITIONAL INFORMATION?

If you have questions or need additional advice about Medicare benefits or eligibility, contact your nearest Social Security office or the Medicare insurance carrier that handles your Medicare claims. (If you're entitled to Medicare under the Railroad Retirement system, contact your nearest Railroad Retirement Board district office.) For information on your private group plan coverage, consult your employer or your spouse's employer.

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